

12 within or outside of this state, shall be deemed to be insurance pro-
 13 cured or continued in this state. The term "premium" includes all
 14 premiums, membership fees, assessments, dues, and any other consid-
 15 eration for insurance. If the tax prescribed by this section is not paid
 16 within the time stated, the tax shall be increased by a penalty of
 17 twenty-five (25) percent and by the amount of an additional penalty
 18 computed at the rate of one (1) percent per month or any part thereof
 19 from the date such payment was due to the date paid.

20 2. If the policy covers risks or exposures only partly in the state,
 21 the tax payable shall be computed on the portions of the premium
 22 which are properly allocable to the risks or exposures located in the
 23 state. In determining the amount of premiums taxable in this state,
 24 all premiums written, procured, or received in this state and all pre-
 25 miums on policies negotiated in this state shall be deemed written on
 26 property or risks located or resident in this state, except such pre-
 27 miums as are properly allocated or apportioned and reported as tax-
 28 able premiums of any other state or states.

29 3. The attorney general, upon request of the commissioner of insur-
 30 ance, shall proceed in the courts of this state or any other state or in
 31 any federal court or agency to recover such tax not paid within the
 32 time prescribed in this section.

1 SEC. 11. Any unauthorized foreign or alien insurer who does any
 2 unauthorized act of an insurance business as set forth in this Act shall
 3 be fined not more than five thousand (5,000) dollars. In addition to
 4 any other penalty provided for in this Act or otherwise provided by
 5 law, any person or insurer violating this Act shall forfeit to the state
 6 the sum of five hundred (500) dollars for each offense and an addi-
 7 tional sum of five hundred (500) dollars for each month during which
 8 any such person or insurer continues such violation.

1 SEC. 12. If any provision of this Act or the application thereof to
 2 any person or circumstances is held invalid, such invalidity shall not
 3 affect other provisions or applications of the Act which can be given
 4 effect without the invalid provision and to this end the provisions of
 5 this Act are declared to be severable.

Approved June 30, 1967.

CHAPTER 366

LIFE INSURANCE INVESTMENTS

H. F. 345

AN ACT relating to the investment of funds of life insurance companies.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Section five hundred eleven point eight (511.8), Code
 2 1966, is hereby amended as follows:

3 1. By striking from line nineteen (19) the words ", and no company
 4 organized"; also by striking lines twenty (20) to twenty-two (22)
 5 inclusive and inserting in lieu thereof a period.

6 2. By striking from subsection nine (9), paragraph *f*, line forty-
7 eight (48), the word "ten" and inserting in lieu thereof the word
8 "fifteen (15)".

9 3. By adding thereto the following new subsection:
10 "*Common stocks or shares.* Common stock or shares issued by sol-
11 vent corporations or institutions shall be eligible if the total invest-
12 ment in shares of such corporations or institutions does not exceed
13 ten (10) percent of legal reserves provided not more than one-half
14 ($\frac{1}{2}$) percent of the legal reserve is invested in the shares of any one
15 (1)* corporation, and if the stock is listed or admitted to trading on
16 a securities exchange located in the United States of America or is
17 publicly held and has been traded in the 'over the counter market' and
18 market quotations are readily available, and if such investment does
19 not create for any officer or director of the company a conflict of in-
20 terest between the insurance company and the corporation whose stock
21 is purchased."

1 SEC. 2. Section five hundred eight point thirty-three (508.33),
2 Code 1966, is hereby amended by striking from line eight (8) the
3 word "chapter" and inserting in lieu thereof the word "title".

Approved May 25, 1967.

*According to enrolled Act.

CHAPTER 367

LIFE INSURANCE INVESTMENTS

S. F. 264

AN ACT relating to the investment of funds of life insurance companies.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Section five hundred eleven point eight (511.8), sub-
2 section four (4), Code 1966, is amended by striking the period (.)
3 after the word "report" in line six (6), and adding after the word
4 "report" the following:
5 " , or by the Inter-American Development Bank in an amount not to
6 exceed two (2) percent of its total assets as shown by the last annual
7 report."

Approved June 19, 1967.